



Reprinted
February 3, 2016

SENATE BILL No. 375

DIGEST OF SB 375 (Updated February 2, 2016 4:13 pm - DI 102)

Citations Affected: IC 4-13.6; IC 8-23.

Synopsis: Prequalification for public works projects. Delays from June 30, 2016, to December 31, 2016, the date after which public works projects that are awarded must comply with the requirement that a contractor be qualified under IC 4-13.6-4 or IC 8-23-10 before doing any work on the project. Requires that a contractor working on a project that is a public work be qualified by the Indiana department of administration's certification board (board). Requires that a contractor working on a project that is the construction, improvement, alteration, repair, or maintenance of a road, highway, street, or alley be qualified by the Indiana department of transportation. Exempts from the qualification requirement: (1) a materials supplier; and (2) a contractor doing any work on a public works project awarded by a local unit whenever: (A) the total amount of the contract awarded to the contractor for work on the public works project is less than \$300,000; and (B) the public agency complies with IC 36-1-12 in awarding the contract for the project. Allows the board to adopt rules to specify the circumstances under which a contractor's qualification may include a dollar limitation on the contracts that may be awarded to a contractor. Requires that a list of contractors holding a valid certificate of qualification under IC 4-13.6-4 or IC 8-23-10 be available for public inspection during regular office hours and on the Internet.

Effective: Upon passage; July 1, 2016.

**Hershman, Yoder, Miller Patricia,
Broden**

January 11, 2016, read first time and referred to Committee on Local Government.
January 21, 2016, reported favorably — Do Pass.
February 2, 2016, read second time, amended, ordered engrossed.

SB 375—LS 6988/DI 102



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Second Regular Session 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

SENATE BILL No. 375

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 4-13.6-4-2.5 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. (a) The definitions in**
4 **IC 5-16-13 apply to this section.**
5 **(b) For purposes of IC 5-16-13-10(c) and this section, the**
6 **following apply:**
7 **(1) A contractor must be qualified under this chapter before**
8 **doing any work on a public works project that is a public**
9 **work:**
10 **(A) as defined by IC 4-13.6-1-13; or**
11 **(B) as defined by IC 36-1-12-2, excluding the construction,**
12 **alteration, or repair of a highway, street, or alley.**
13 **(2) A supplier (as defined by IC 4-13.6-1-20) is not required to**
14 **be qualified under this chapter before doing any work on a**
15 **public works project.**
16 **(c) Notwithstanding the applicability date specified in**
17 **IC 5-16-13-10(c) and subject to subsection (d), the requirement**

SB 375—LS 6988/DI 102



1 that a contractor must be qualified under this chapter before doing
 2 any work on a public works project applies to a public works
 3 contract awarded after December 31, 2016.

4 (d) This subsection applies to a public works project awarded
 5 after December 31, 2016, by a local unit. A contractor in any
 6 contractor tier is not required to be qualified under this chapter
 7 before doing any work on a public works project awarded by a
 8 local unit whenever:

9 (1) the total amount of the contract awarded to the contractor
 10 for work on the public works project is less than three
 11 hundred thousand dollars (\$300,000); and

12 (2) the local unit complies with IC 36-1-12 in awarding the
 13 contract for the public works project.

14 (e) The board may adopt rules under IC 4-22-2, including
 15 emergency rules in the manner provided under IC 4-22-2-37.1, to
 16 specify the circumstances under which a contractor's qualification
 17 under this chapter may include a limitation as to the dollar amount
 18 of a contract that may be awarded to the contractor for work on a
 19 public works project.

20 SECTION 2. IC 4-13.6-4-4.5 IS ADDED TO THE INDIANA
 21 CODE AS A NEW SECTION TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2016]: Sec. 4.5. The board shall make
 23 available for public inspection during regular office hours and on
 24 the Internet a list of the contractors holding a valid certificate of
 25 qualification issued by the board under this chapter.

26 SECTION 3. IC 8-23-10-0.5 IS ADDED TO THE INDIANA CODE
 27 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 28 UPON PASSAGE]: Sec. 0.5. (a) The definitions in IC 5-16-13 apply
 29 to this section.

30 (b) For purposes of IC 5-16-13-10(c) and this section, a
 31 contractor must be qualified under this chapter before doing any
 32 work on a public works project that is the construction,
 33 improvement, alteration, repair, or maintenance of a road (as
 34 defined by IC 8-23-1-23), highway, street, or alley.

35 (c) Notwithstanding the applicability date specified in
 36 IC 5-16-13-10(c) and subject to subsection (d), the requirement
 37 that a contractor must be qualified under this chapter before doing
 38 any work on a public works project applies to a public works
 39 contract awarded after December 31, 2016.

40 (d) This subsection applies to a public works project awarded
 41 after December 31, 2016, by a local unit. A contractor in any
 42 contractor tier is not required to be qualified under this chapter



1 before doing any work on a public works project awarded by a
2 local unit whenever:

3 (1) the total amount of the contract awarded to the contractor
4 for work on the public works project is less than three
5 hundred thousand dollars (\$300,000); and

6 (2) the local unit complies with IC 36-1-12 in awarding the
7 contract for the public works project.

8 SECTION 4. IC 8-23-10-1 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. It is unlawful to
10 award a contract to any person other than a bidder previously qualified
11 in compliance with this chapter, **except for the award of a contract**
12 **for a public works project by a local unit whenever section 0.5(d)**
13 **of this chapter applies.**

14 SECTION 5. IC 8-23-10-2.5 IS ADDED TO THE INDIANA CODE
15 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
16 1, 2016]: Sec. 2.5. The department shall make available for public
17 inspection during regular office hours and on the Internet a list of
18 the contractors holding a valid certificate of qualification issued by
19 the department under this chapter.

20 SECTION 6. An emergency is declared for this act.



COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred Senate Bill No. 375, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 375 as introduced.)

HEAD, Chairperson

Committee Vote: Yeas 8, Nays 0

SENATE MOTION

Madam President: I move that Senate Bill 375 be amended to read as follows:

Page 1, between lines 4 and 5, begin a new paragraph and insert:

"(b) For purposes of IC 5-16-13-10(c) and this section, the following apply:

(1) A contractor must be qualified under this chapter before doing any work on a public works project that is a public work:

(A) as defined by IC 4-13.6-1-13; or

(B) as defined by IC 36-1-12-2, excluding the construction, alteration, or repair of a highway, street, or alley.

(2) A supplier (as defined by IC 4-13.6-1-20) is not required to be qualified under this chapter before doing any work on a public works project."

Page 1, line 5, delete "(b)" and insert "(c)".

Page 1, line 6, delete "subsections (c) and" and insert "subsection".

Page 1, line 10, delete "(c)" and insert "(d)".

Page 1, line 11, after "contractor" insert "in any contractor tier".

Page 1, line 17, delete "public agency" and insert "local unit".

Page 2, delete lines 2 through 7, begin a new paragraph and insert:

"(e) The board may adopt rules under IC 4-22-2, including emergency rules in the manner provided under IC 4-22-2-37.1, to specify the circumstances under which a contractor's qualification under this chapter may include a limitation as to the dollar amount of a contract that may be awarded to the contractor for work on a public works project."

Page 2, between lines 17 and 18, begin a new paragraph and insert:

"(b) For purposes of IC 5-16-13-10(c) and this section, a



contractor must be qualified under this chapter before doing any work on a public works project that is the construction, improvement, alteration, repair, or maintenance of a road (as defined by IC 8-23-1-23), highway, street, or alley."

Page 2, line 18, delete "(b)" and insert "(c)".

Page 2, line 19, delete "subsections (c) and" and insert "**subsection**".

Page 2, line 23, delete "(c)" and insert "**(d)**".

Page 2, line 24, after "contractor" insert "**in any contractor tier**".

Page 2, line 30, delete "public agency" and insert "**local unit**".

Page 2, delete lines 32 through 37, begin a new paragraph and insert:

"SECTION 4. IC 8-23-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. It is unlawful to award a contract to any person other than a bidder previously qualified in compliance with this chapter, **except for the award of a contract for a public works project by a local unit whenever section 0.5(d) of this chapter applies.**"

Renumber all SECTIONS consecutively.

(Reference is to SB 375 as printed January 22, 2016.)

HERSHMAN

